

This record is a partial extract of the original cable. The full text of the original cable is not available.

S E C R E T SECTION 01 OF 02 TEL AVIV 001413

SIPDIS

NOFORN

STATE FOR EB/ESC/ESP, S/CT, INL/C, NEA/IPA AND EB ASSISTANT
SECRETARY ANTHONY WAYNE

SIPDIS

TREASURY FOR GENERAL COUNSEL DAVID AUFHAUSER
OPERATION GREEN QUEST FOR MARCY FORMAN
JUSTICE FOR DAVID LAUFMAN, OFFICE OF THE
DEPUTY ATTORNEY GENERAL, CRIMINAL DIVISION FOR B. SHWARTZ
FBI FOR TERRORISM FINANCIAL REVIEW GROUP FOR DENNIS LORMEL
NSC FOR J. MYERS
CIA/CTC

E.O. 12958: DECL: 03/05/2014

TAGS: [EFIN](#) [PTER](#) [SNAR](#) [KWBG](#) [IS](#) [COUNTERTERRORISM](#) [ISRAELI](#) [PALESTINIAN](#) [AFFAIRS](#) [ISRAEL](#) [RELATIONS](#)
SUBJECT: MEETING OF POST TERRORISM FINANCING WORKING GROUP

REF: A. TEL AVIV 1392
 1B. TEL AVIV 2737
 1C. JERUSALEM 0662

Classified By: Deputy Chief of Mission Richard LeBaron reasons 1.4 (b)
and (d).

This message has been cleared by ConGen Jerusalem.

11. (S//NF) On March 5, the DCM chaired a meeting of mission officers involved in terrorist financing issues. Post Economic, Political, FBI, ORCA, and DATT sections participated in the meeting, updating most recent efforts in working with the GOI on terrorist financing issues.

Raid on Banks in Ramallah

12. (S//NF) Post sections gave an update on recent information gathered from GOI interlocutors on the much publicized GOI raid on Palestinian banks in Ramallah last week. Econ and Legatt reported that they were briefed by the Shin Bet on March 2 regarding the information and money confiscated during the raid and details on the situation that led up to the raid (reftel A). Poloff reported on the meeting between the Ambassador and the NSC's Counter-terrorism Chief on March 1 (reftel B) and ORCA gave on update on information passed to them by their contacts. DAO reported that the IDF would host a briefing on the raid for diplomatic defense attaches next week. Econ reported on the efforts of the Embassy and ConGen Jerusalem to follow-up on the Palestinian Monetary Authorities (PMA) request to establish a cooperative dialogue with Israel's Financial Intelligence Unit (reftel C). Embassy econoff spoke with the head of the Israeli FIU who has expressed a willingness to provide technical support to the PMA. ConGen Jerusalem has passed the Israeli FIU's contact information to the PMA.

13. (C) DCM asked sections to think of ways the USG can work with the GOI to prevent a situation where the military is called in to conduct asset seizures. The group agreed that establishing better communication between the PA and the GOI on terrorist financing should be a priority and that these contacts need to be made at the operational and policy level. After last week's event, the GOI officials told the Ambassador that they want to establish more effective communication and in doing so, hope to avoid actions like last week. DCM asked all sections to think of ways to improve this dialogue.

Ongoing Cases

14. (S) Legatt reported that it is supporting numerous missions from the FBI and the Dept. of Justice on ongoing terrorist financing cases. Legatt described cooperation with the GOI on these cases as excellent and ongoing. All sections reported hearing from Israeli contacts that funding directed to Palestinian groups from Hezbollah has increased. DAO reported that IDF and Ministry of Defense contacts are drawing parallels between Hezbollah's increased activity in Israel and in Iraq. DCM asked sections to look into Israeli reports of Hezbollah using Western Union to move terrorist funds to Palestinian terrorist groups. FBI indicated that the Israeli information on these transfers comes from communication intercepts. DCM advised Legatt should be in lead regarding Western Union issues.

15. (C) Legatt reported that an FBI team from the U.S. met on March 4 with the head of the PMA, Amin Haddad, to evaluate

the ability of his organization to assist in ongoing and future investigations.

Training and Assistance

16. (C) On March 3, the FBI hosted a team of investigators, prosecutors, and regulators from the USG who presented several seminars to Israeli law enforcement, regulators, the Israeli FIU, intelligence, military, and other Israeli security organizations. The team consisted of members of the Dept. of Justice, the Dept. of Treasury, the FBI, and the Federal Reserve. The team briefed the Israeli participants on the use, effectiveness, and challenges of the Patriot Act in dealing with terrorist financing. The sessions were well attended by the Israeli community and Israeli interlocutors said that the sessions were useful.

Visit Embassy Tel Aviv's Classified Website:
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's Classified SIPRNET website.

KURTZER